

**TOPIC: FINANCIAL ACCOUNTABILITY PLAN APPEAL PROCESS**

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**I. SUMMARY AND BACKGROUND**

Senate Bill 10-003 provides governing boards to submit financial accountability plans to the Colorado Commission on Higher Education seeking authority to raise resident undergraduate tuition rates in excess of nine percent for fiscal years 2012-12 through 2015-16. In the event the Commission denies a governing board's request, the governing board can appeal that decision through the submission of an alternative plan through a process and timeline that the Commission establishes. This agenda item presents the staff-recommended financial accountability plan appeal process.

**II. STAFF ANALYSIS**

The proposed financial accountability plan appeal process is outlined below (in italics):

*Paragraph 4 (a) of C.R.S. 23-5-130.5 outlines the Colorado Commission on Higher Education's (CCHE or Commission) authority to approve or deny the governing boards' financial accountability plans (FAPs) and provides an opportunity for governing boards to appeal in the event their FAP request is denied. According to statute: "If the request is denied, the governing board may submit an alternative financial and accountability plan to the commission in accordance with timelines adopted by the commission."*

*If the Commission denies a governing board's FAP and therefore the request to raise tuition above nine percent (9%) for resident undergraduate students, they shall provide in writing to the governing board the reason(s) for the denial. The governing board has two options:*

- 1. Accept the Commission's decision and hold resident undergraduate rate increases to no more than nine percent (9%) and consider submitting a FAP during the next budget cycle (where applicable) as allowed in C.R.S. 23-5-130.5 (4) (b); or*
- 2. Revise their FAP and submit to the Commission (no later than ten business days from date of denial) following the process outlined here.*

*Upon receipt of written notice from the Commission that their FAP has been denied for the current year, the governing board shall have ten (10) business days to respond with a revised plan. The Commission's Notice of Denial will specify and enumerate the reasons for denial. The governing board shall submit a revised plan or a memorandum explaining how the concerns set forth in the Notice of Denial have been addressed.*

*As necessary, a meeting will be arranged with the governing board and the CCHE Subcommittee to discuss the revised plan.*

*The CCHE Subcommittee will make a recommendation to approve or deny the revised FAP at the next regularly scheduled Commission meeting – approximately two weeks after the revision is received. The decision of the full Commission on the revised FAP submitted through the appeal process will be final.*

**III. STAFF RECOMMENDATION**

**That the Commission approve the financial accountability plan appeal process.**

**Statutory Authority**

C.R.S. 23-5-130.5 (4) (a)